

FISCAL MEMORANDUM

HB 586 – SB 775

May 14, 2007

SUMMARY OF AMENDMENT (006176): Deletes the original bill in its entirety. Creates a Class E felony for a TennCare enrollee to fail to disclose to a physician that the enrollee has obtained the same prescription from another physician within the past 30 days.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$4,400 / Incarceration*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$2,200 / Incarceration*

Assumptions applied to amendment:

- One Class E felony every three years with 0.3 years time served (109.58 days). The annualized time served per conviction is 36.16 days (0.33 annual number of convictions x 109.58 days served). According to the Department of Correction, the average operating cost per inmate per day for calendar year 2007 is \$60.16. The annualized cost per conviction is \$2,175.39 (0.33 x 109.58 x \$60.16).
- No significant incarceration cost increase will occur due to population growth in this period.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

HB 586 – SB 775

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/LSC